

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
(COMMERCIAL LIST)**

THE HONOURABLE MADAM ) TUESDAY THE 29<sup>th</sup> DAY OF  
 )  
JUSTICE PEPALL ) MAY, 2007



IN THE MATTER OF SECTION 18.6 OF THE  
*COMPANIES' CREDITORS ARRANGEMENT ACT*,  
R.S.C. 1985, c. C-36

AND IN THE MATTER OF  
ALLIED HOLDINGS, INC. AND THOSE SUBSIDIARIES  
LISTED ON SCHEDULE "A" HERETO

Applicants

**ORDER**

**THIS MOTION** made by the Applicants for an order recognizing the GS Financing Restructuring Final Order (defined below) was heard this day at 330 University Avenue, Toronto, Ontario.

**ON READING** (i) the Supplementary Notice of Motion, (ii) the Affidavit of Thomas H. King sworn May 22, 2007 and the exhibits thereto (the "**King Affidavit**"), and (iii) the Supplementary Affidavit of Thomas H. King sworn May 25, 2007 and the exhibits thereto (the "**Supplementary King Affidavit**"), filed; on hearing the submissions of counsel for the Applicants; and on being satisfied that circumstances exist that make this Order appropriate;

**Service**

1. **THIS COURT ORDERS** that the time for service of the Supplementary Notice of Motion and the Supplementary Motion Record in support of this motion be and it is hereby abridged such that this motion is properly returnable today and further that service thereof upon any person other than the persons served with the Supplementary Motion Record herein be and it is hereby dispensed with.

## **Stay of Proceedings**

2. **THIS COURT ORDERS** that the Stay Period (as defined in paragraph 5 of the Order of the Honourable Mr. Justice Farley dated August 2, 2005) be and the same is hereby further extended to and including June 30, 2007.

## **Recognition of the GS Financing Restructuring Final Order**

3. **THIS COURT ORDERS** that the Final Order of the United States Bankruptcy Court issued on May 24, 2007 authorizing the Applicants to, among other things, restructure the Financing (as defined in the King Affidavit) (the “**GS Financing Restructuring Final Order**”) be and it is hereby recognized in its entirety and shall have effect throughout Canada as if it was an order of this Court made in proceedings under the CCAA having identical effect to that provided for in such order.
4. **THIS COURT FURTHER ORDERS** that the GS Financing Restructuring Final Order, is binding upon all persons with any interest in the within proceedings.

## **DIP Second Liens**

5. **THIS COURT ORDERS** that the liens, security interests, mortgages and charges granted to the Second Lien Secured Parties (as defined in the GS Financing Restructuring Final Order) by the U.S. Court as security for the payment and performance of all of the Second Lien Obligations (as defined in the GS Financing Restructuring Final Order) are hereby recognized, constituted and confirmed as fixed, specific and continuing liens, security interests, mortgages and charges (collectively, the “**DIP Second Liens**”) in, on and against all of the Collateral (as defined in the GS Financing Restructuring Final Order), effective and perfected as of the date of the Interim Amendment Order (as defined in the GS Financing Restructuring Final Order).
6. **THIS COURT ORDERS** that each of the Applicants are hereby authorized and empowered to incur the obligations under and in accordance with the terms of the Second Lien Credit Documents (as defined in the GS Financing Restructuring Final Order).

7. **THIS COURT ORDERS** that neither the Second Lien Agent nor the Second Lien Lenders (as such terms are defined in the GS Financing Restructuring Final Order) shall be required to file, register, record or perfect the DIP Second Liens in any Canadian jurisdiction.
8. **THIS COURT ORDERS** that, effective as of the date of the Interim Amendment Order (as defined in the GS Financing Restructuring Final Order), the DIP Second Liens shall have priority in Canada over all present and future fixed or floating liens, charges, mortgages, hypothecs, security interests, pledges or other encumbrances attaching to the Collateral (as defined in the GS Financing Restructuring Final Order), subject and subordinate only to the encumbrances as provided for in the GS Financing Restructuring Final Order (which includes, without limitation, the "DIP Liens" as defined in the Order of this Honourable Court made in these proceedings on April 16, 2007 recognizing the GS Financing Final Order) and subject to encumbrances arising by operation of law without any grant of a security interest by such Applicant and that are given priority over prior fixed charges by Canadian statute law in the event of a bankruptcy of such Applicant.
9. **THIS COURT ORDERS** that the obligations of the Applicants pursuant to the First Lien Credit Documents (as amended), the Second Lien Credit Documents and the Intercreditor Agreement (all as defined in the GS Financing Restructuring Final Order) and all documents delivered pursuant thereto constitute legal, valid and binding obligations of the Applicants enforceable against them in accordance with the terms thereof, and the payments made and security granted by the Applicants pursuant to such documents do not constitute fraudulent preferences, fraudulent conveyances, oppressive conduct, settlements or other challengeable, voidable or reviewable transactions under any applicable law in Canada.
10. **THIS COURT ORDERS** that, effective as of the date of the Interim Amendment Order (as defined in the GS Financing Restructuring Final Order), the DIP Second Liens shall be deemed to be valid and effective notwithstanding any negative covenants, prohibitions or other similar provisions with respect to incurring debt or the creation of liens or securities contained in any existing

agreement between the Applicants and any lender and that notwithstanding any provision to the contrary in such agreements,

- (a) the executions, delivery, perfection or registration of the DIP Second Liens shall not create or be deemed to constitute a breach by the Applicants of any agreement to which any of the Applicants is a party, and
- (b) the Second Lien Agent and the Second Lien Lenders (as such terms are defined in the GS Financing Restructuring Final Order) shall have no liability to any person whatsoever as a result of any breach of any agreement caused by or resulting from the Applicants entering into the Second Lien Credit Documents (as defined in the GS Financing Restructuring Final Order) or other document delivered pursuant thereto.

  
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ENTERED AT / INSCRIT A TORONTO  
ON / BOOK NO:  
LE / DANS LE REGISTRE NO.:

MAY 29 2007

REP/PAR:



## **SCHEDULE "A"**

Allied Automotive Group, Inc.

Allied Systems, Ltd. (L.P.)

Allied Systems (Canada) Company

QAT, Inc.

RMX LLC

Transport Support LLC

F. J. Boutell Driveaway LLC

Allied Freight Broker LLC

GACS Incorporated

Commercial Carriers, Inc.

Axis Group, Inc.

Axis Netherlands, LLC

Axis Areta, LLC

Logistic Technology, LLC

Logistic Systems, LLC

CT Services Inc.

Cordin Transport LLC

Terminal Services LLC

Axis Canada Company

Ace Operations, LLC

AH Industries, Inc.

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**Applicants**

**ONTARIO  
SUPERIOR COURT OF JUSTICE**  
(PROCEEDING COMMENCED AT TORONTO)

**ORDER**  
(May 29, 2007)

**GOWLING LAFLEUR HENDERSON LLP**  
Barristers & Solicitors  
1600 – 1 First Canadian Place  
100 King Street West  
Toronto, Ontario  
M5X 1G5

**Heath P.L. Whiteley**  
(L.S.U.C. No. 38528P)

Tel: (416) 862-4400  
Fax: (416) 862-7661

Solicitors for the Applicants